

Message Text

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44

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-05 NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 PA-01 PRS-01 USIA-06

OPR-01 NSC-05 SS-15 STR-01 CEA-01 /075 W

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R 021443Z DEC 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 6789

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E.O. 11652: N/A

TAGS: ECON ELAB VE

SUBJECT: FORD MOTORS FIRES VENEZUELAN ENGINEERS

1. THE FORD MOTOR COMPANY PLANT IN VALENCIA ATTEMPTED TO DISMISS HALF OF ITS VENEZUELAN ENGINEERING STAFF AS PART OF A WORLD-WIDE REDUCTION IN FORD'S WHITE COLLAR WORK FORCE PROVOKED BY THE ECONOMIC SLOWDOWN IN MANY COUNTRIES. THE ENGINEERS STRUCK THE PLANT AND THE CENTRO DE INGENIEROS DEL ESTADO CARABOBO ISSUED A STATEMENT DENOUNCING FORD FOR ITS ACTIONS IN THE FACE OF RISING PRODUCTION AND RISING PROFITS IN VENEZUELA. THE ENGINEERS CRITICIZED FORD'S MANAGEMENT PARTICULARLY FOR PREDICATING DECISIONS IN VENEZUELA ON ECONOMIC CONDITIONS IN THE UNITED STATES.

2. THE NOVEMBER 26 VALENCIA DAILY REPORTED THAT FORD HAD RELENTED AND AGREED TO REHIRE ALL OF THE DISMISSED PROFESSIONALS. SOURCES IN THE AMERICAN BUSINESS COMMUNITY IN CARACAS REPORT THAT FORD HAS AGREED TO REHIRE ABOUT HALF OF THOSE DISMISSED AND THAT THE ISSUE IS STILL FAR FROM SETTLED. CARACAS BUSINESS SOURCES CONFIRM THAT THE DISMISSALS WERE PROVOKED BY ORDERS FROM DETROIT. FORD'S MANAGEMENT IS INSTRUCTED TO REDUCE WHITE COLLAR EMPLOYMENT WORLD-WIDE, IRRESPECTIVE OF LOCAL CONDITIONS. THEY ADD THAT THE AUTO INDUSTRY IS ENJOYING ITS BEST YEAR EVER IN VENEZUELA AND THAT

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FORD IS HIRING BLUE COLLAR WORKERS AT THE SAME TIME IT IS DISMISSING

PROFESSIONALS.
MCCLINTOCK

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Message Attributes

Automatic Decaptioning: X
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Draft Date: 02 DEC 1974
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Disposition Authority: izenbei0
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
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Disposition History: n/a
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To: STATE
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